

S&P Dow Jones Indices' Consultation on Sanctions and Russia Market Accessibility

NEW YORK, MARCH 2, 2022: S&P Dow Jones Indices ("S&P DJI") is conducting a consultation with market participants on the potential removal of stocks listed and/or domiciled in Russia (including ADRs/GDRs) as a result of recent sanctions and market accessibility limitations.

As per S&P DJI's Equity Indices Policies & Practices Methodology, S&P DJI will generally consider sanctioned securities from the perspective of a U.S., U.K., and/or European Union (EU) based investor for S&P DJI's standard global indices. Subject to Index Committee determination, specific securities impacted by sanctions may:

1. Have their current shares/IWF/GICS frozen for the duration of the sanctions;
2. Be deleted from indices; and/or
3. Become ineligible for addition to indices.

Furthermore, per S&P DJI's Equity Indices Policies & Practices Methodology, if a market institutes capital controls or experiences other structural trading constraints, S&P DJI will assess the impact and duration of the situation and may take one or more of the following actions:

1. Continue to maintain the stocks listed in the affected market in accordance with standard ongoing maintenance procedures;
2. Retain the stocks listed in the affected market, but freeze all potential changes until further notice (e.g. shares, float, index shares, adds/drops);
3. Drop the stocks listed in the affected market;
4. Utilize only depository receipts and/or cross-listings for representation of the affected market, if possible, which in some cases may require a switch of the listing included in an index.

S&P DJI is continuing to monitor updates related to all applicable sanctions concerning the Russian-Ukrainian conflict.

The sanctions and subsequent impact on the accessibility of the Russian market may impact the ability of market participants to replicate S&P DJI Indices containing Russian securities.

As an initial measure related to the impact of the sanctions environment and market conditions resulting from the Russian-Ukrainian conflict, S&P DJI has [announced](#) it will halt the implementation of certain types of corporate events, certain quarterly rebalancing adjustments, and additions to indices of any equity securities listed and/or domiciled in Russia (including ADRs/GDRs).

S&P DJI now seeks feedback for S&P DJI's standard equity indices on the continued inclusion of stocks listed and/or domiciled in Russia, as well as the experience of market participants in accessing the Russian equity market, in light of current events and sanctions announcements. Please consider the following options as they pertain to the recent sanctions and subsequent reduction in Russian market accessibility:

- **Option 1:** Remove all stocks listed and/or domiciled in Russia (including ADRs/GDRs)
- **Option 2:** Remove all stocks listed in Russia (excluding ADRs/GDRs and stocks otherwise domiciled in Russia but listed elsewhere).
- **Option 3:** No further actions beyond the previously announced initial measures.
- **Option 4:** Other actions.

Please refer to the appendix of this document for details on potential impact to certain example indices.

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. **Should stocks listed and/or domiciled in Russia be removed from S&P DJI's standard equity indices?**
 - Yes
 - No (please provide your rationale in question 6)
2. **As outlined above, which option should S&P DJI use for ongoing maintenance and rebalancing of its standard equity indices?**
 - **Option 1:** Remove all stocks listed and/or domiciled in Russia (including ADRs/GDRs)
 - **Option 2:** Remove all stocks listed in Russia (excluding ADRs/GDRs and stocks otherwise domiciled in Russia but listed elsewhere)
 - **Option 3:** No further actions beyond the previously announced initial measures
 - **Option 4:** Other actions (please specify in question 6)
3. **If you indicated that stocks listed and/or domiciled in Russia should be removed from S&P DJI's standard equity indices, do you agree that they should be removed at a price of zero?**
 - Yes
 - No (please provide your rationale in question 6)
4. **If you indicated that stocks listed and/or domiciled in Russia should be removed from S&P DJI's standard equity indices, when should they be removed?**
 - As soon as possible with at least two business days' notice
 - Prior to the open on March 21, 2022
 - A different removal date (please specify in question 6)
5. **If possible, please specify the indices to which your feedback is applicable.**
6. **Do you have any other comments or feedback regarding the potential changes outlined above?**

CONSULTATION

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. Please respond to this survey by **March 3, 2022**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

S&P DJI intends to announce the results of this consultation after the close of business on **Friday, March 4, 2022**.

To participate in this consultation, please visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices at SPDJI_Index_Governance@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit www.spglobal.com/spdji.

APPENDIX – POTENTIAL IMPACT TO CERTAIN EXAMPLE INDICES

The table below shows the index weight of components domiciled in Russia, as of the close on February 28, 2022, for a select sample of S&P DJI standard equity indices.

Index Name	Index Code	Russia Weight (Feb. 28, 2022)	Factsheet
S&P Emerging BMI (USD)	SPCBMIREMUSD	1.7%	Factsheet
S&P Emerging BMI (China A Full Inclusion) (USD)	SPECA1UP	1.1%	Factsheet
S&P Global Ex-Japan LargeMidCap Carbon Efficient Index (USD)	SPGJCEUP	0.1%	Factsheet
S&P Global Natural Resources Index	SPGNRUP	1.3%	Factsheet
S&P Commodity Producers Gold Index	SPCPG	1.8%	Factsheet
S&P Global Ex-U.S. Property (USD)	SPBMGUU	<0.1%	Factsheet
S&P Emerging Market Dividend Opportunities Index	SPGTEDUP	2.7%	Factsheet
S&P International Dividend Opportunities Index	SPGTDUO	0.3%	Factsheet
S&P Kensho New Economies Composite Index (USD)	KNEXP	0.2%	Factsheet
S&P/BNY Mellon ADR Index	BKADR	0.1%	Factsheet
Dow Jones Emerging Markets Select Dividend Index	DJEMDIV	10.3%	Factsheet
Dow Jones Emerging Markets Consumer Titans Index (USD)	DJECON	1.5%	Factsheet
Dow Jones Sustainability World Index	W1SGI	0.1%	Factsheet
Dow Jones Sustainability World Enlarged Index	DJSWECD	<0.1%	Factsheet
S&P Emerging Markets Infrastructure Index	SPGEIFD	4.7%	Factsheet
S&P Commodity Producers Oil & Gas Exploration & Production Index	SPCPOG	1.2%	Factsheet
S&P Commodity Producers Agribusiness Index	SPCPAG	0.2%	Factsheet
S&P BMI Emerging Markets Low Volatility Index	SPEMLVUP	0.3%	Factsheet
Dow Jones BRIC 50 DR Index (USD)	B50DRD	2.4%	Factsheet
S&P BRIC 40 Index	SPBRIC	3.1%	Factsheet
S&P BRIC Equal Country Weight Index	SPBR4EUP	7.7%	Factsheet
S&P BRICT Index	SPBRCTUP	7.0%	Factsheet
S&P/BNY Mellon BRIC Select DR Index (USD)	DRBRIC	7.1%	Factsheet

Based on Index Constituents' Country of Domicile.

The S&P DJI Index Committee reserves the right to treat individual indices differently in accordance with the stated objectives in the relevant index methodologies.

Please note that users of S&P DJI's indices are solely responsible for ensuring such users' compliance with all applicable law (including, without limitation, sanctions laws and any other rules, regulations or prohibitions) in connection with such use (including, without limitation, trading, investment or other use).

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500[®] and the Dow Jones Industrial Average[®]. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spglobal.com/spdji.

FOR MORE INFORMATION:

S&P Dow Jones Indices
index_services@spglobal.com